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SEVENTY-NINTH REPORT

of the

Board of Directors

of the

Lehigh Valley Railroad Company

to the

Stockholders

For the Year Ended December 31, 1932



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Lehigh Valley Railroad Company

Board of Directors

JAMES F. BELL	THOMAS H. McINNERNEY
MORRIS L. CLOTHIER	EFFINGHAM B. MORRIS, JR.
ALAN C. DODSON	GEORGE T. SLADE
ARTHUR C. DORRANCE	JOHN R. SPROUL
WALTER S. FRANKLIN	ALFRED H. SWAYNE
FRED M. KIRBY	HARRY C. TREXLER
EDWARD E. LOOMIS, Ex-Officio	

Officers

E. E. LOOMIS.....	PRESIDENT
C. E. HILDUM.....	EXECUTIVE VICE PRESIDENT
JOHN DUFFY.....	VICE PRESIDENT—TRAFFIC
G. H. FOSTER.....	VICE PRESIDENT—OPERATION
R. W. BARRETT.....	VICE PRESIDENT AND GENERAL COUNSEL
D. G. BAIRD.....	SECRETARY AND TREASURER
A. F. BAYFIELD.....	COMPTROLLER

LEHIGH VALLEY RAILROAD COMPANY

Seventy-ninth Report

Philadelphia, Pa., May 15, 1933.

To the Stockholders of the Lehigh Valley Railroad Company:

The Board of Directors submits herewith its report for the year ended December 31, 1932.

INCOME

Total Operating Revenues.....	\$38,739,138.25
Total Operating Expenses.....	31,686,181.09
Net Operating Revenue	\$ 7,052,957.16
Railway Tax Accruals.....	\$2,670,830.68
Uncollectible Railway Revenues.....	4,920.59
Equipment Rents—Net	795,852.48
Joint Facility Rents—Net.....	370,985.89
	<u>3,842,589.64</u>
Net Railway Operating Income.....	\$ 3,210,367.52
Other Income	1,094,031.57
Total Income	\$ 4,304,399.09
Deductions from Income.....	8,237,441.61
Net Income	\$ 3,933,042.52

PROFIT AND LOSS

Balance, December 31, 1931.....	\$51,984,560.05
Transferred from Income.....	3,933,042.52
Equipment Retirements	1,146,579.94
Miscellaneous Items—Net	687,914.01
	<u>46,217,023.58</u>
Balance, December 31, 1932.....	\$46,217,023.58

World-wide economic conditions laid a heavy hand on the railroads during the year. Operating revenues of your Company were 23% less than in 1931. This reduction in traffic, however, compares favorably with the figures of other railroads serving the same general section of the country. While maintaining the quality of its service to the shipping

LEHIGH VALLEY RAILROAD COMPANY

and travelling public, it was possible to make a reduction of 23% in operating expenses, despite the substantial reductions in these expenses which have been made every year since 1927.

For the year 1932, net operating revenue of your Company amounted to \$7,052,900, and 45% of this went for taxes. In addition the Company is faced with grade crossing elimination orders which will involve further non-productive expenditures of approximately \$2,000,000. These Government assessments must be met before the Company is in a position to provide for its necessary obligations, such as interest on its bonds, rentals, etc. The development of the motor vehicle has increased traffic competition, and has resulted in a public demand for elimination of rail-highway grade crossings. Expenditures for such non-productive improvements constitute a real menace to the financial stability of the railroads, because of the high proportion of the cost which must be assumed and also because of the additional assessment and a resultant permanent increase in the tax bill.

To protect our ownership of the land at West 27th Street and 13th Avenue, New York City, the Pioneer Real Estate Company, a subsidiary of your Company, was compelled to take over the \$8,000,000 Starrett-Lehigh Building from its former owners. The only consideration was the assumption of the \$4,500,000 mortgage on the land and building. The street level is used by your Company as a railroad yard, equipped with adequate team tracks, gantry cranes, and loading platforms, which serve both the public and the tenants. The building contains 1,800,000 square feet of rental space.

Under the Marshalling and Distributing Plan, described in the report for 1931, your Company during the year deposited \$820,928 with the Railroad Credit Corporation, representing earnings resulting from certain increases in freight rates. This became a part of the fund which the Corporation loaned railroads requiring financial assistance. It is anticipated that, with the return of normal conditions, these loans will be repaid and the deposits of the companies returned. The increased rates permitted under the plan were to be eliminated March 31st, but the Interstate Commerce Commission has authorized their continuance, with some modification, until September 30, 1933. The proceeds of the increased rates, however, will be retained by the individual carriers.

In connection with the purchase of 20 new locomotives delivered during the Spring of 1932, the locomotive builders issued in the name of the Railroad Company, but without legal or banking costs to the Railroad, Equipment Trusts "T" and "U", each in the amount of \$1,039,000.

LEHIGH VALLEY RAILROAD COMPANY

The certificates bear interests at the rate of 5% and will be retired by semi-annual payments over a period ending March 1, 1937.

The First Mortgage Bonds of the Lehigh Valley Coal Company, which matured January 1, 1933, were guaranteed by your Company. This guarantee was made in 1892 when the Coal Company was owned by the Railroad Company and when the coal industry was in a prosperous condition. The enforcement of the guarantee, therefore, was never looked upon as a possibility. Furthermore, at the time of the segregation of the Coal and Railroad Companies, provision was made in the decree of the court for the creation of a new Coal Company mortgage under which bonds were to be issued for the purpose of retiring this maturity. Because of existing financial conditions, the Coal Company was unable to market these bonds to retire the \$6,409,000 of its First Mortgage Bonds, and on account of the poor coal business it did not have the available cash to pay them. Your Company, therefore, unexpectedly was called upon to assume the obligation of its guarantee and a plan was presented jointly by the Coal and Railroad Companies and accepted by the holders of the bonds, which provided for the payment of fifty per cent. in cash and fifty per cent. in new Coal Company notes. The Railroad Company must, of course, continue its guarantee. For the purpose of financing this plan the Reconstruction Finance Corporation authorized a loan of \$2,000,000 to your Company, which was in turn loaned to the Coal Company. As a result of the transaction there will be no increase in expense inasmuch as the interest received from the Coal Company offsets the interest your Company must pay to the Reconstruction Finance Corporation. Since the first of the year the plan has become operative and practically all outstanding bonds have been exchanged for the new notes.

The twenty new locomotives, known as the "Wyoming" type, which were received early in the year and placed in service, made available twenty-two engines of this type. The use of these locomotives has made it possible to operate full tonnage trains from the Niagara Frontier to Jersey City without change of power, has reduced materially the need of helper service on heavy grades, and has resulted in a very substantial saving.

One gas-electric and two oil-electric locomotives were purchased and placed in switching service at important yards in place of steam locomotives.

Notwithstanding a reduction of over sixty-one per cent. in maintenance of way expenses during the last five years, made possible through the use of heavy rail, creosoted ties, stone ballast, and improved

LEHIGH VALLEY RAILROAD COMPANY

machinery and methods, the roadbed of your Company has been maintained at its usual high standard.

Although it was necessary to consider carefully every expenditure, betterments to increase efficient operation were made to various classes of equipment, and improved machinery and tools were added to shop equipment.

Twenty-three new industries were located at points along the Lehigh Valley Railroad outside of New York during the year. In addition, thirty-five industries became tenants of the Starrett-Lehigh Building in Manhattan and one new industry was located in the Bronx-Lehigh Building of your Company in the Bronx, New York City.

On February 1, 1932, an agreement was entered into with employes for a deduction of ten per cent. from earnings for a period of one year. This agreement has since been extended to October 31, 1933. Likewise, substantial deductions from the pay of all officers and supervisory employes have been made.

Because of the general business depression the year 1932 was the first since 1904 that the railroad was unable to pay its stockholders dividends on their shares.

Since the close of the year, Mr. Walter S. Franklin has been elected a member of the Board of Directors, succeeding Mr. Edward S. Moore, resigned.

It is a pleasure, in such adverse and exacting times, to acknowledge the loyal and efficient service rendered by employes and officers.

E. E. LOOMIS,
President.

LEHIGH VALLEY RAILROAD COMPANY

GENERAL BALANCE SHEET

ASSETS		
INVESTMENTS:		
In road..... (See Note below)	\$40,322,149.84	
In equipment	65,792,473.49	
		\$106,114,623.33
Improvements on leased railway property		2,347,665.34
Miscellaneous physical property.....		119,366.40
Investments in affiliated companies:		
Stocks	\$93,574,705.90	
Bonds	20,856,130.00	
Advances	9,391,097.99	
		123,821,933.89
Other investments:		
Stocks	\$1,172,131.95	
Bonds	50,557.00	
Miscellaneous	592,923.00	
		1,815,611.95
Total investments.....		234,219,200.91
CURRENT ASSETS:		
Cash	\$3,096,279.62	
Special deposits.....	2,763.09	
Loans and bills receivable.....	1,940.03	
Traffic and car-service balances receivable	539,726.68	
Net balance receivable from agents and conductors	585,682.93	
Miscellaneous accounts receivable.....	587,238.38	
Material and supplies.....	2,446,422.91	
Interest and dividends receivable.....	6,356.69	
Rents receivable.....	49,845.37	
Other current assets.....	167,995.57	
Total current assets.....		7,484,251.27
DEFERRED ASSETS:		
Working fund advances.....	\$120,649.55	
Insurance and other funds.....	90,852.10	
Other deferred assets.....	31,198.20	
Total deferred assets.....		242,699.85
UNADJUSTED DEBITS:		
Rents and insurance premiums paid in advance	\$28,061.34	
Other unadjusted debits.....	2,869,605.21	
Total unadjusted debits.....		2,897,666.55
TOTAL ASSETS.....		\$244,843,818.58

NOTE:—The item Investment in Road represents only road property of Lehigh Valley Railroad Company proper (Phillipsburg, N. J., to Wilkes-Barre, Pa.). The total road and equipment investment of the system, including transportation subsidiaries, owned by your Company, is \$265,880,207.99.

LEHIGH VALLEY RAILROAD COMPANY

DECEMBER 31, 1932

LIABILITIES		
STOCK:		
Common stock.....	\$60,501,700.00	.....
Preferred stock.....	37,950.00	.....
Total stock outstanding.....		\$60,539,650.00
Grants in aid of construction.....		43,888.46
LONG-TERM DEBT:		
Funded debt.....	\$117,936,000.00	.....
Less—Funded debt held in treasury or pledged	28,000,000.00	.....
	89,936,000.00	.....
Liability under sub-lease of equipment, December 16, 1930.....	265,000.00	.....
State of New York grade crossing elim- ination	138,691.69	.....
Reconstruction Finance Corp'n Loan..	3,500,000.00	.....
Equip. Trust Certificates Series T & U.	1,870,000.00	.....
Non-negotiable debt to affiliated Com- panies	4,699.26	.....
Total long-term debt outstanding..		95,714,390.95
CURRENT LIABILITIES:		
Loans and bills payable.....	\$4,650,000.00	.....
Traffic and car-service balances payable	28,248.77	.....
Audited accounts and wages payable...	2,253,254.56	.....
Miscellaneous accounts payable.....	213,632.30	.....
Interest matured unpaid.....	377,997.50	.....
Dividends matured unpaid.....	30,904.25	.....
Funded debt matured unpaid.....	1,000.00	.....
Unmatured interest accrued.....	664,349.11	.....
Unmatured rents accrued.....	503,824.76	.....
Other current liabilities.....	203,217.45	.....
Total current liabilities.....		8,926,428.70
DEFERRED LIABILITIES:		
Liability for provident funds.....	\$32,786.48	.....
Other deferred liabilities.....	152,969.34	.....
Total deferred liabilities.....		185,755.82
UNADJUSTED CREDITS:		
Tax liability.....	\$2,429,032.65	.....
Accrued depreciation—Equipment	28,479,634.58	.....
Accrued depreciation—Miscellaneous physical property	91,284.84	.....
Other unadjusted credits.....	1,900,013.89	.....
Total unadjusted credits.....		32,899,965.96
CORPORATE SURPLUS:		
Additions to property through income and surplus.....	\$316,715.11	.....
Profit	46,217,023.58	.....
Total corporate surplus.....		46,533,738.69
TOTAL LIABILITIES.....		\$244,843,818.58

LEHIGH VALLEY RAILROAD COMPANY

INCOME STATEMENT

For the Years Ended December 31, 1932 and 1931

	1932	1931	INCREASE OR Decrease
AVERAGE MILES OF ROAD OPERATED...	1,362.05	1,361.72	.33
OPERATING REVENUES:			
Anthracite coal freight revenue....	\$11,651,561.67	\$14,516,307.23	\$2,864,745.56
Bituminous coal freight revenue...	1,034,329.31	1,261,871.27	227,541.96
Merchandise freight revenue.....	19,788,470.40	25,875,557.64	6,087,087.24
Passenger revenue.....	2,823,743.67	4,192,211.41	1,368,467.74
Mail revenue.....	341,587.88	344,635.33	3,047.45
Express revenue.....	357,485.49	611,764.89	254,279.40
Other transportation revenue.....	2,119,592.03	2,310,340.17	190,748.14
Incidental revenue.....	622,367.80	911,939.44	289,571.64
Total Operating Revenues.....	\$38,739,138.25	\$50,024,627.38	\$11,285,489.13
OPERATING EXPENSES:			
Maintenance of way and structures.	\$3,166,565.79	\$4,664,229.28	\$1,497,663.49
Maintenance of equipment.....	8,612,862.46	11,447,869.46	2,835,007.00
Traffic expenses.....	1,400,663.56	1,549,137.58	148,474.02
Transportation expenses	16,811,737.04	21,479,506.93	4,667,769.89
Miscellaneous operations.....	195,592.47	279,557.95	83,965.48
General expenses	1,509,839.67	1,569,967.57	60,127.90
Transportation for investment—Cr.	11,079.90	10,846.56	233.34
Total Operating Expenses.....	\$31,686,181.09	\$40,979,422.21	\$9,293,241.12
NET OPERATING REVENUE.....	\$7,052,957.16	\$9,045,205.17	\$1,992,248.01
DEDUCTIONS FROM REVENUE:			
Railway tax accruals.....	\$2,670,830.68	\$3,156,030.74	\$485,200.06
Uncollectible railway revenues....	4,920.59	23,083.57	18,162.98
Equipment rents—net.....	795,852.48	1,057,972.49	262,120.01
Joint facility rents—net.....	370,985.89	206,398.13	164,587.76
NET RAILWAY OPERATING INCOME	\$3,210,367.52	\$4,601,720.24	\$1,391,352.72
OTHER INCOME:			
Misc. non-operating physical property	\$86,320.49	\$164,723.35	\$78,402.86
Separately operated properties-profit	56,361.16	124,942.00	68,580.84
Dividend income.....	657,065.83	391,462.00	265,603.83
Income from funded securities....	61,701.53	78,050.88	16,349.35
Income from unfunded securities and accounts.....	47,606.70	57,722.84	10,116.14
Miscellaneous income.....	184,975.86	162,872.54	22,103.32
Total Other Income.....	\$1,094,031.57	\$979,773.61	\$114,257.96
Total Income.....	\$4,304,399.09	\$5,581,493.85	\$1,277,094.76
DEDUCTIONS FROM INCOME:			
Rent for leased roads.....	\$2,342,681.96	\$2,342,696.56	\$14.60
Miscellaneous rents.....	394,771.08	365,098.09	29,672.99
Miscellaneous tax accruals.....	484,197.88	500,493.55	16,295.67
Separately operated properties-loss	175,673.51	.....	175,673.51
Interest on funded debt	4,186,092.93	4,054,010.74	132,082.19
Interest on unfunded debt	277,460.17	163,906.44	113,553.73
Miscellaneous income charges.....	376,564.08	416,333.69	39,769.61
Total Deductions from Income..	\$8,237,441.61	\$7,842,539.07	\$394,902.54
Net Income.....	\$3,933,042.52	\$2,261,045.22	\$1,671,997.30

Statement of Funded Debt, December 31, 1932

DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	IN TREASURY OF THE COMPANY OR PLEDGED	IN HANDS OF THE PUBLIC	INTEREST		
					RATE	PAYABLE	ACCRUED DURING THE YEAR
LEHIGH VALLEY RAILROAD COMPANY:							
First Mortgage Bonds.....	May 15, 1868	June 1, 1948	.....	\$5,000,000	4%	June and Dec.	\$200,000.00
Consolidated Mortgage Bonds.....	Nov. 13, 1873	{ Perpetual { Perpetual	.....	10,062,000	6%	June and Dec.	603,720.00
*General Consolidated Mortgage Bonds.....	Sept. 30, 1903	May 1, 2003	{ \$1,000,000 { \$24,400,000	2,538,000	4½%	June and Dec.	114,210.00
Equipment Obligations .....	.....	Nov. 15, 1937	.....	39,639,000	4%	May and Nov.	1,585,560.00
Equipment Trust Certificates Series T & U.....	Mar. 1, 1932	\$208,000 semi-annually to Mar. 1, 1937	.....	20,697,000	4½%	May and Nov.	1,381,365.00
Reconstruction Finance Corporation Loan.....	Various	Apr. to Oct., 1935	.....	12,000,000	5%	May and Nov.	600,000.00
State of New York—Grade Crossing Eliminations .....	.....	.....	.....	265,000	5½%	May and Nov.	16,396.86
CONSOLIDATED REAL ESTATE COMPANY:							
First Mortgage Bonds.....	Feb. 1, 1906	Feb. 1, 1956	.....	1,870,000	5%	Mar. and Sept.	59,141.07
Total Funded Debt and Interest.....	.....	.....	.....	3,500,000	6%	Various	75,700.00
			.....	138,692	.....	.....	.....
			2,600,000	.....	.....	.....	.....
			\$28,000,000	.....	4%	Feb. and Aug.	.....
		
			.....	\$95,709,692	.....	.....	\$4,186,092.93

* Amount of authorized issue, \$150,000,000.
 † Excludes interest on securities in the Treasury.
 ‡ Pledged.

Guaranties and Rentals, Year Ended December 31, 1932

GUARANTIES	DATE OF ISSUE	DATE OF MATURITY	IN HANDS OF THE PUBLIC	GUARANTIES AND RENTALS			
				RATE	PAYABLE	ACCRUED DURING THE YEAR	
ENTIRE CAPITAL STOCK OWNED: Lehigh Valley Terminal Ry. Co., First Mtg. Bonds..... Easton & Northern Railroad Co., First Mtg. Bonds..... Penna. & N. Y. Canal & R. R. Co., Consol. Mtg. Bonds..... The Lehigh Valley Rail Way Co., First Mtg. Bonds..... Middlesex Valley Railroad Co., First Mtg. Bonds..... The Lehigh & Lake Erie R. R. Co., First Mtg. Bonds..... Lehigh Valley Harbor Ter. Ry. Co., First Mtg. Bonds..... MAJORITY CAPITAL STOCK OWNED: Lehigh & N. Y. Railroad Co., First Mtg. Bonds..... Total.....	Oct. 1, 1891	Oct. 1, 1941	\$9,999,000	5%	April and Oct.	\$499,950.00	
	Oct. 7, 1895	Nov. 1, 1935	50,000	4½%	May and Nov.	2,250.00	
	Nov. 13, 1888	April 1, 1939	{ 4,000,000 1,500,000	5%	April and Oct.	200,000.00	
	June 23, 1890	July 1, 1940	{ 3,000,000 15,000,000	4½%	April and Oct.	67,500.00	
	Aug. 26, 1892	Nov. 1, 1942	190,000	4%	Jan. and July	120,000.00	
	Mar. 1, 1907	Mar. 1, 1957	3,000,000	5%	May and Nov.	675,000.00	
	Feb. 1, 1924	Feb. 1, 1954	10,000,000	4½%	Mar. and Sept.	9,500.00	
	Aug. 24, 1895	Sept. 1, 1945	2,000,000	5%	Feb. and Aug.	135,000.00	
							500,000.00
					4%	Mar. and Sept.	80,000.00
			\$48,739,000			\$2,289,200.00	
RENTALS—LINES NOT OWNED:							
State Line and Sullivan Railroad Co.....						40,000.00	
Raritan Terminal and Transportation Co.....						2,000.00	
New York Central Railroad Co.....						11,481.96	
Total Interest and Rentals.....						\$2,342,681.96	

LEHIGH VALLEY RAILROAD COMPANY

General Operating Results for the Years Ended December 31, 1932 and 1931

	1932	1931	Increase or Decrease	Per Cent.
TRAIN AND LOCOMOTIVE MILEAGE				
Revenue freight train miles—locomotive...	4,074,574	5,003,289	928,715	18.56
Revenue passenger train miles—locomotive.	2,004,637	2,322,056	317,419	13.67
Revenue milk and express train miles— locomotive	575,149	763,698	188,549	24.69
Revenue mixed train miles—locomotive...	124,232	106,483	17,749	16.67
Revenue special train miles—locomotive...	589	1,437	848	59.01
Total revenue service train miles—loco- motive	6,779,181	8,196,963	1,417,782	17.30
Revenue passenger train miles—motor...	1,005,252	984,247	21,005	2.13
Revenue mixed train miles—motor.....	21,547	29,020	7,473	25.75
Total revenue service train miles— motor	1,026,799	1,013,267	13,532	1.34
Total revenue service train miles.....	7,805,980	9,210,230	1,404,250	15.25
Helping and light freight locomotive miles.	570,300	795,166	224,866	28.28
Helping and light passenger locomotive miles	183,367	236,956	53,589	22.62
Helping and light mixed locomotive miles..	1,658	1,390	268	19.28
Helping and light special locomotive miles.	143	495	352	71.11
Total revenue service locomotive miles, ex- cluding switching and motor.....	7,534,649	9,230,970	1,696,321	18.33
Switching locomotive miles.....	3,810,361	4,564,454	754,093	16.52
Total revenue service locomotive miles, excluding motor	11,345,010	13,795,424	2,450,414	17.76
Non-revenue service locomotive miles.....	202,234	321,481	119,247	37.09
Per cent. helping and light of revenue serv- ice locomotive miles, excluding switch- ing and motor.....	10.03	11.20	1.17	10.45
CAR MILEAGE				
Freight car mileage—loaded	122,975,326	153,175,052	30,199,726	19.72
Freight car mileage—empty	71,860,377	90,558,166	18,697,789	20.65
Freight car mileage—caboose	4,458,577	5,388,485	929,908	17.26
Total freight car miles.....	199,294,280	249,121,703	49,827,423	20.00
Average number of loaded freight cars per train	29.55	30.13	.58	1.92
Average number of empty freight cars per train	17.27	17.81	.54	3.03
Average number of all freight cars per train	47.90	49.01	1.11	2.26
Per cent. loaded of total car miles.....	61.70	61.49	.21	.34
Per cent. empty of total car miles.....	36.06	36.35	.29	.80
Per cent. caboose of total car miles.....	2.24	2.16	.08	.37
Passenger car miles—including Pullman..	14,573,252	16,773,470	2,200,218	13.12
Baggage, dining, mail, express and milk car miles	14,130,741	16,098,495	1,967,754	12.22
Total passenger car miles.....	28,703,993	32,871,965	4,167,972	12.68
Average number of passenger train cars per passenger train	7.92	8.01	.09	.11
Special revenue service car miles.....	9,212	21,345	12,133	56.84
Non-revenue service car miles.....	333,860	523,570	189,710	36.23

LEHIGH VALLEY RAILROAD COMPANY

General Traffic Results for the Years Ended December 31, 1932 and 1931

	1932	1931	INCREASE OR Decrease	PER CENT.
Average miles of road operated.....	1,362.05	1,361.72	.33	.02
FREIGHT TRAFFIC				
Tons of revenue freight carried.....	15,627,158	21,181,622	5,554,464	26.22
Tons of company freight carried.....	1,514,577	1,961,877	447,300	22.80
Tons of all freight carried.....	17,141,735	23,143,499	6,001,764	25.93
Tons of revenue coal carried one mile.....	1,032,244,976	1,343,602,622	311,357,646	23.17
Tons of revenue merchandise carried one mile	1,834,063,264	2,399,337,999	565,274,735	23.56
Tons of company freight carried one mile...	101,155,223	144,746,038	43,590,815	30.12
Tons of all freight carried one mile.....	2,967,463,463	3,887,686,659	920,223,196	23.67
Tons of revenue freight carried one mile per mile of road.....	2,104,408	2,748,686	644,278	23.44
Average distance revenue freight carried— in miles	183.42	176.71	6.71	3.80
Revenue from freight.....	\$32,474,361.38	\$41,653,736.14	\$9,179,374.76	22.04
Average revenue per ton carried.....	\$2.07-807	\$1.96-650	\$.11-157	5.67
Average revenue per ton per mile—in cents	1.133	1.113	.020	1.80
Freight revenue per mile of road operated..	\$23,842.27	\$30,589.06	\$6,746.79	22.06
Freight revenue per revenue freight train mile	\$7.80-491	\$8.19-426	\$.38-935	4.75
Tons of revenue freight per revenue freight train	688.89	736.32	47.43	6.44
Tons of all freight per revenue freight train	713.20	764.80	51.60	6.75
Tons of all freight hauled per revenue service locomotive, excluding switching miles.	622.01	658.22	36.21	5.50
Average number of tons of all freight in each loaded car	24.13	25.38	1.25	4.93
PASSENGER TRAFFIC				
Revenue passengers carried	1,115,599	1,519,235	403,636	26.57
Revenue passengers carried one mile	117,893,000	149,358,955	31,465,955	21.07
Revenue passengers carried one mile per mile of road	86,556	109,684	23,128	21.09
Average distance carried—in miles.....	105.68	98.31	7.37	7.50
Revenue from passengers.....	\$2,823,743.67	\$4,192,211.41	\$1,368,467.74	32.64
Average revenue per passenger—in cents....	253.115	275.942	22.827	8.27
Average revenue per passenger per mile—in cents	2.395	2.807	.412	14.68
Average revenue from passengers per pass- enger train mile (excluding milk and express)	\$0.91-994	\$1.24-701	\$0.32-707	26.23
Passenger service train revenue.....	\$5,072,935.68	\$6,888,572.97	\$1,815,637.29	26.36
Passenger service train revenue per mile of road	\$3,724.49	\$5,058.73	\$1,334.24	26.37
Passenger service train revenue per train mile (including milk and express).....	\$1.39-189	\$1.66-975	\$0.27-786	16.64
Average revenue passengers per car.....	8	9	1	11.11
Average revenue passengers per train (in- cluding mixed)	38	44	6	13.64
REVENUES AND EXPENSES				
Freight and passenger revenue.....	\$35,298,105.05	\$45,845,947.55	\$10,547,842.50	23.01
Freight and passenger revenue per mile of road	\$25,915.43	\$33,667.68	\$7,752.25	23.03
Total operating revenues	\$38,739,138.25	\$50,024,627.38	\$11,285,489.13	22.56
Total operating revenues per mile of road..	\$28,441.79	\$36,736.35	\$8,294.56	22.58
Operating expenses	\$31,686,181.09	\$40,979,422.21	\$9,293,241.12	22.68
Ratio of operating expenses to operating rev- enues	81.79%	81.92%	.13%	.16
Operating expenses per mile of road.....	\$23,263.60	\$30,093.87	\$6,830.27	22.70
Net operating revenue	\$7,052,957.16	\$9,045,205.17	\$1,992,248.01	22.03
Net operating revenue per mile of road....	\$5,178.19	\$6,642.49	\$1,464.30	22.04

LEHIGH VALLEY RAILROAD COMPANY

Additions and Betterments, Entire System, Year Ended December 31, 1932

	EXPENDITURES AND CHARGES	RETIREMENTS	NET AMOUNT
Engineering	\$30,233.13	\$3,989.17	\$26,243.96
Land for transportation purposes....	204,327.95	3,133.55	201,194.40
Grading	445,803.90	5,584.53	440,219.37
Tunnels and subways.....	.....	.....	.....
Bridges, trestles and culverts.....	66,140.57	12,097.73	54,042.84
Ties	15,247.79	138,260.34	123,012.55
Rails	68,186.82	133,283.22	65,096.40
Other track material.....	112,055.24	67,512.00	44,543.24
Ballast	38,698.46	9,368.87	29,329.59
Track laying and surfacing.....	48,003.43	109,054.78	61,051.35
Right-of-way fences.....	15.43	.....	15.43
Snow and sand fences and snowsheds .....	.....	.....	.....
Crossings and signs.....	181,010.56	3,206.47	177,804.09
Station and office buildings.....	761.93	17,566.88	16,804.95
Roadway buildings	1,027.25	26,641.25	25,614.00
Water stations	3,199.48	6,795.88	3,596.40
Fuel stations	5,020.55	.....	5,020.55
Shops and engine houses.....	9,166.93	38,903.51	29,736.58
Grain elevators.....	.....	.....	.....
Wharves and docks.....	1,817.54	.....	1,817.54
Coal and ore wharves.....	.....	.....	.....
Telegraph and telephone lines.....	45,315.53	21,173.45	24,142.08
Signals and interlockers.....	2,377.34	42,110.59	39,733.25
Power plant buildings .....	.....	.....	.....
Power distribution systems	7,871.30	.....	7,871.30
Power line poles and fixtures.....	101.13	2,531.94	2,430.81
Miscellaneous structures	41.00	.....	41.00
Paving .....	.....	.....	.....
Roadway machines.....	4,931.75	.....	4,931.75
Assessments for public improvements.	7,482.63	.....	7,482.63
Other expenditures—road.....	.....	.....	.....
Shop machinery.....	32,511.85	79,865.87	47,354.02
Power plant machinery	282.03	25.26	256.77
Power sub-station apparatus	140.40	.....	140.40
Steam locomotives	2,422,132.17	2,458,807.10	36,674.93
Other locomotives.....	106,778.69	.....	106,778.69
Freight train cars.....	31,748.18	3,087,328.38	3,055,580.20
Passenger train cars.....	80,463.01	2,758.72	77,704.29
Motor equipment of cars.....	1,158.47	.....	1,158.47
Floating equipment.....	3,281.63	287,294.81	284,013.18
Work equipment.....	21,856.48	220,997.91	199,141.43
Miscellaneous equipment.....	10,518.37	10,755.90	237.53
General expenditures.....	25,453.08	415.95	25,037.13
Total	\$4,035,162.00	\$6,789,464.06	\$2,754,302.06

LEHIGH VALLEY RAILROAD COMPANY

Classification of Tonnage for the Years Ended December 31, 1932 and 1931

COMMODITIES	1932		1931	
	TONS	PER CENT.	TONS	PER CENT.
Products of Agriculture.....	1,491,369	9.54	1,747,897	8.25
Animals and Products.....	529,117	3.39	535,405	2.53
Products of Mines	9,086,411	58.14	12,095,440	57.10
Products of Forests	250,383	1.60	369,917	1.75
Manufactures and Miscellaneous.....	3,956,085	25.32	5,979,882	28.23
Grand Total, Carload Traffic.....	15,313,365	97.99	20,728,541	97.86
All L.C.L. Freight.....	313,793	2.01	453,081	2.14
Grand Total Carload and L.C.L. Traffic	15,627,158	100.00	21,181,622	100.00



1932